REMARKS/ARGUMENTS

Applicants previously filed an *After-Final Response* and have received an Advisory Action indicating that the amendments therein would not be entered as they do not place the claims in condition for allowance.

In view of this feedback, for which Applicants are grateful, Applicants submit this *Second After-Final Response*. Applicants respectfully request that the Examiner consider the following submissions, and in particular, Applicants arguments regarding "teaching away," which Applicants believe place the case in condition for allowance.

Claim Objections

The present amendments to claims 6, 7, 8, 12 and 14 are the same as were submitted in the previous *After-Final Response*, which was not entered. They relate purely to the claim objections (claim dependency and capitalization) and do not affect the scope of the claims. Because they were not entered, the following two paragraphs are repeated from the previous response.

In the Office Action, the Examiner objected to claim 12 due to unnecessary capitalizations. Applicants have amended claim 12 to correct this. Applicants respectfully request that the objection to claim 12 be withdrawn.

In addition, the Examiner objects to claim 6 for being redundant of claim 1. The Examiner correctly surmises that claim 5 was inadvertently canceled in the Response filed 6 March 2007 when it was Applicants' intention to cancel claim 6. To correct this, Applicants have canceled claim 6 and added new claim 14, which is supported by previously canceled claim 5. Claims 7 and 8 have been amended so that they depend from claim 1.

Amendment to Claim 1

The present amendment to claim 1 merely removes the limitation that was added in the Response filed on March 6, 2007. The Examiner indicated that this limitation did not result in patentability of the claims. Applicant concurs and believes that the claims as originally filed and lacking this amendment are allowable for the reasons set out below. Therefore, claim 1 has been restored to its original scope.

Claim Rejections under 35 U.S.C. §103; Kilaas teaches away from the present invention

The following argument was **not submitted** in the previous *After-Final Response*, but Applicants' believe that it is dispositive of the issues relating to the rejection of the claims as obvious.

In the Final Office Action, Examiner rejected claims 1-4, 6, 7, 9 and 11 under 35 U.S.C. §103(a) as being unpatentable over US Patent 6,672,385 to Kilaas (hereafter Kilaas) in view of various references. Applicants respectfully submit that this rejection is not supportable, in view of the teachings of Kilaas itself.

Specifically, the Examiner has asserted that "Kilaas et al. disclose. . . a filter (7 in figure 6) inside of the sleeve." A careful reading of Kilaas, however, reveals that **Kilaas teaches away from positioning a filter inside the matrix 8**. Rather, the filter, screen

A highly porous material or screen 16 of any metal, polymer or composite material is arranged between outer screen 6 and matrix 8, allowing free flow for any fluid stream 12 and/or fine particles 11 (e.g. sand) passing through outer tubular screen 6...

When the liner and matrix element system 4 does not work for fluid control of water or oil/gas, reservoir fluids and fine particles passing through the outer screen 6 will flow through the matrix 8 and inner screens 7 (and 16) without any significant pressure loss. Matrix 8 and inner screens 7 and 16 are not to work as filters for fine particles like sand. This is accomplished by larger openings in inner screen 7 and 16 than in outer screen 6 and/or by

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either a high porosity of matrix 8, but more preferably by holes or slices 10 through matrix 8 and inner screens 7 and 16. (emphasis added).

Col. 5, II. 58-62 and col. 9, II. 51-56.

Applicants respectfully submit that, in view of the teachings of Kilaas, one of ordinary skill in the art would be deterred from positioning a sandscreen (filter) inside the swelleable layer (matrix), as presently claimed.

Conclusion

For the foregoing reasons, Applicants respectfully submit that the claims are patentable over the cited art and Applicants request that the application be allowed. In the event the Examiner has any questions or there are any issues with respect to the application, the Examiner is invited to call the undersigned at the telephone number below prior to the issuance of any written action.

Respectfully submitted,

Martin G. R. Bosma et al.

By /Marcella D. Watkins/
Patent Agent, Marcella D. Watkins
Registration No. 36,962
(713) 241-1041

P.O. Box 2463 Houston, Texas 77252-2463